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April 16, 2003

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Ms. Jean Curran
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Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Mr. David McClanahan
Energy and Water Division
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Re: Atmos Meter Estimation Program Petition, Docket No. 03-00189

Ladies and Gentlemen:

Atmos Energy Corporation would like to respond to some recent inquiries from the Directors and Staff regarding whether any customers have complained about the Company's proposed meter estimation program. The Company has not received any customer complaints about the proposed meter estimations, and we understand from Ms. Curran and Mr. Roberson that the Consumer Services Division has likewise received no complaints.

As you may be aware from the previous data responses, the Company proposes to estimate meter readings on a limited and rotating basis each month. There are approximately 20 cycles read and billed each month. The Company would estimate only even numbered cycles (i.e., cycles 2, 4, 6, etc.) during even numbered months. Therefore, most customers would receive no more than two estimated bills per year. Each estimated bill would be clearly labeled as "Estimate." No customer would receive two estimated bills in a row, and any inaccuracy in the estimation would be adjusted in the following month's bill. The Company will read any

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customer's meter upon request, and will offer to read any meter for which a customer has raised a billing issue. The Company intends to prepare a bill insert explaining the estimation program and providing the information outlined above to all customers who will be receiving estimated bills. The Company's call center personnel are trained to discuss the program with customers and accept requests for a meter read.

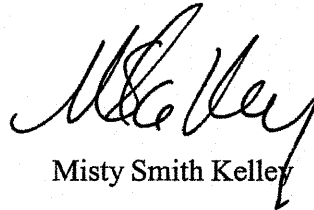
The Company has successfully implemented meter estimation programs in Virginia, Illinois and Kentucky. The Company has received one customer complaint in each of those three states related to the implementation of the program. There have been no further customer complaints regarding the Company's meter estimation programs.

Based on the safeguards outlined above, the Company does not anticipate experiencing a great deal of customer complaints as a result of the proposed estimation program. However, to the extent the information outlined above does not address all of the concerns of the Directors and Staff with regard to the potential for customer complaints, the Company would like to offer an alternative proposal. As was discussed at the April 7 agenda conference, the Company is eager to begin the estimation program on May 1. Therefore, to expedite the approval process, the Company would be willing to limit the proposed estimation program to the months of May through October.

Gas usage during those months is not only much less for most customers, but it is also more consistent from month to month. As a result, the Company is able to estimate the bills with tremendous accuracy, with only minimal adjustment in the following month's bill. If the Company desires to extend the program on a year-round basis in the future, the Company would file a new petition for approval by the Authority at that time.

I trust that this information addresses all of the concerns that have been expressed. We appreciate the prompt action taken by the Authority thus far on this matter. If you have any further questions or need any further information, please do not hesitate to contact me at 423-209-4148 or by e-mail at mkelley@bdbc.com.

Sincerely,



Misty Smith Kelley

MSK:klc

cc: Joe Conner
Patricia Childers
Roger Nash